The Assets in the Life Department were . . .	£1,028,377	2	1
Deduct the above Liabilities	877,966	14	4
Leaving a surplus of . . .	£150,410	7	9

According to the principle of division adopted at last Septennial Investigation nine-tenths of the above surplus belong to the parties assured on the participating scale, and the Directors have thus been enabled to declare a Bonus of 25*s.* per cent per annum on all sums assured with profits. This is in many instances equivalent to £1 : 18*s.* per cent. per annum on the original sum assured, in consequence of the present Bonus being declared not only on the original sum assured, but also on the previous Bonus additions.

The Directors would further recommend that the usual Prospective Bonus of one per cent per annum should be paid on all Policies existing at 31st December last, which may become claims prior to the next Division of Profits.

The Bonus and Prospective Bonus are not payable on any Policy which has not been five years in existence.

The remaining tenth part of the surplus belongs to the Proprietors, and has been carried to the accumulated fund of undivided profits. To this fund also has to be added the profit arising upon the result of the annuity transactions during the Septennial period, amounting to £9211 : 14 : 11.

* * * *

Several complaints having been made of the long interval which elapses between the periods of investigation, the Directors have resolved to meet this objection by altering the period at which the investigation and declaration of Bonus takes place from a Septennial to a Quinquennial period.

NOTICES OF NEW BOOKS.

A Treatise upon the Law of Life Assurance, upon the constitution of Assurance Companies, the construction of their Deeds of Settlement, the sale of Reversionary Interests, and Equitable Lives arising in connection with Life Policies: with an Appendix of Precedents for the Assignment of Policies by way of sale, mortgage, and settlement; Notes of Cases; Statutes; and an Index of Private Acts obtained by Insurance Companies. By Charles John Bunyon, M.A., of the Inner Temple, Esq., Barrister-at-Law. London: Charles and Edwin Layton, 150, Fleet Street.

It is now fifteen years since Mr. Bunyon first published his "Law of Life Assurance"; and the changes which have subsequently taken place in the law, both through the action of the legislature and through the decisions of the Courts of Justice, have been so numerous and so important, that the work had become quite out of date and of comparatively little practical value. It had consequently become absolutely necessary that a second edition of the work should be published, if Mr. Bunyon was to retain the

honour of being the author of the only complete treatise upon its subject. This second edition is now before us; and we propose to give a short outline of its contents, and of the changes which have been made in it, as the best mode of enabling our readers to judge of its value.

The work commences with a highly interesting introductory chapter "On the Amendment of the Law," in which the Author draws the attention of the reader "not only to the changes which have occurred in this and "collateral subjects, but to amendments which may still be effected"; and his remarks on the latter subject appear to us to be extremely judicious.

First in order of time, and, we may almost say, of importance, comes the overruling of the celebrated case of "Godsall *v.* Boldero" by the decision in the case of "Dalby *v.* The India and London Assurance Company." It will no doubt be remembered by our readers that the first edition contained a long and elaborate argument to prove that the ruling in Godsall *v.* Boldero was bad law and should be overruled. The same view had been taken by other authors, in particular by Professor De Morgan in his Treatise on Probabilities (p. 244); but it must be especially gratifying to the Author to find that he has anticipated, if not assisted by his arguments in bringing about, this change in the law.

It is next noted that the position of the referees of a person proposing an assurance has been placed on a juster footing by the decision in the case of "Wheelton *v.* Hardisty," where it was held "that they are not neces-"sarily the agents of the proposer so as to affect him with the responsibility "of a fraud on their part." The Usury Laws have been swept away, and as a necessary consequence, the Annuity Act. Proceeding in the same spirit, the legislature has, still more recently, passed "The Sales of Reversions Act," which has put an end to the rule of equity that required the purchaser of a reversion to show that he had paid a full and adequate consideration for it, and in default of such proof allowed the contract of sale to be annulled, even after the reversion had fallen into possession. The most recent Act affecting Life Assurance is "The Policies of Assurance Act, 1867"; and to this the author has devoted considerable attention, both in this introductory chapter, and in the body of the work. His view is that although this Act may be esteemed a step towards making policies assignable at law, still it avoids doing so in express terms; for it provides only that any person *possessing a right in equity to receive*, and a right to give an effectual discharge for the insurance money, may sue at law in his own name. It does not simplify titles, and the author with good reason calls attention to the hardship imposed on Insurance Companies "in that in set-"tlement of claims on policies the necessity is thrown upon them of adjudi-"cating, to a great extent at their own peril, upon titles which can often "only be fairly settled in Courts of Equity." He "apprehends that a "statute on this subject, to satisfy the wants of the community, should "render life policies assignable at law by transferring the right of action, "and should, in all cases, enable the assignee to give a good discharge in "equity to the Office." Such a statute would be very useful, if only as a declaratory Act; but some of the best lawyers hold that at the present time an assignee can in all cases give a good and effectual discharge to the Company.

Some legislation is urgently required to facilitate and legalize the amalgamation of Life Insurance Offices. On this topic the Author dilates

at some length in his usual perspicuous and argumentative style. He suggests the passing of a general enabling statute, "which should legalize "such transactions, only providing some tribunal which should see that "equal justice is done to all parties in the arrangement." Such a tribunal he considers might be the Board of Trade or Court of Chancery, which should publish some general rules framed with the assistance of the Council of the Institute of Actuaries.

The main point to be borne in mind is, that if the policyholders of an Office are transferred to another without their own consent, as must generally, or indeed always, be the case, they ought not to be placed in a worse position than before, as regards the guarantee afforded them by the shareholders' capital, paid or subscribed. On this ground, probably, the Court of Chancery, if appealed to at the proper time, would have granted injunctions restraining the greater number of the amalgamations and transfers which have taken place. It need not be pointed out here how far the above principle has been lost sight of in many amalgamations, and notably in those which preceded, and doubtless caused or accelerated, the failure of the Albert Life Office.

Another question discussed by the Author is whether and to what effect any special legislative sanction should be given to voluntary settlements of policies of assurance. Ante-nuptial settlements, in the absence of gross fraud, are good against all creditors; but in post-nuptial settlements there are special difficulties where the property settled is a policy of assurance; for although at the time the post-nuptial settlement is made, the settlor may be perfectly solvent, still the payment of premiums when he had become insolvent might have the effect of invalidating such settlement. This is certainly a point on which legislation is needed; and we think it would not be difficult to devise a plan by which the post-nuptial settlement of policies of insurance might be facilitated and encouraged, without unduly restricting the rights of creditors.

The discussion of this subject leads the Author into a dissertation upon the amendment of the law of property of married women, which is rather foreign to the object of the work, and into which we therefore will not follow him.

The body of the work is divided into three parts, which may be briefly described as treating of the subject in its relation to (1) the common and statute law; (2) the equitable interests; and (3) the claim; or to explain it more fully, the first part treats of the contract of Life Assurance, its nature and details, with the rights and disabilities under it, and the constitution, management, and dissolution of Insurance Companies; the second part treats of the transactions connected with Life Assurance, and those in which Life Assurance forms an important element; and the third part, of the questions connected with the payment and enforcement of the claim. The first part is divided into eleven chapters, of which the first is devoted to an explanation of "The nature of the contract at the common law, and "as modified by the statute law." In it the Author points out the difference between Life Assurance and Marine or Fire Insurance, and discusses the question as to how far it fulfils the legal conditions of a wager. He also explains the operations of the Act 14 Geo. III., c. 48, commonly known as the Gambling Act, which defines the legal limits of the contract. This Act, which applied only to Great Britain up to the year 1866, was in that

year extended to Ireland. The second and third chapters, treating of the proposal and declaration, warranties and representations, all of which belong to the same branch of the subject, have been judiciously combined in the new edition. All our readers are familiar with the ordinary proposal form and declaration. The declaration is generally, either expressly or by reference, embodied in the policy, and the facts stated therein, when made unconditionally, are in legal language called warranties, and must be strictly and literally true, their correctness being a condition precedent to the validity of the policy. The principle, as the Author here explains, upon which the maxim *caveat emptor* is founded does not apply to the contract of insurance. All material facts known to the assured, whether he himself considers them material or not, must be fully disclosed; for equity requires the parties to contract *pari passu*. The position of the referees, as already pointed out, has been entirely altered, so that instead of being, as formerly considered, the agents of the proposer, they must now be regarded as the agents of the Company. As regards the private and medical referees, this is no doubt the proper light to look upon the question, since the insurers having the means of making full enquiries, by requiring the proposer to mention the names of those persons best qualified to give information, it would be unjust to hold him accountable either for negligence on the part of the office, or fraud on the part of the referees, of which he is wholly innocent. But it is otherwise with regard to the person whose life is proposed for insurance, since in most cases he is interested in obtaining the policy, and will give the most favourable answers which he conscientiously can; and might, therefore, more often than not, be considered to act as the agent of the proposer: so that notwithstanding the unanimous opinion to the contrary of the judges both in the Exchequer Chamber and in the Court below, in the case of Wheelton *v.* Hardisty, we still think that the rule should be considerably relaxed as regards the life insured. How far the omission or misrepresentation of certain facts in the declaration has been considered to invalidate the policy, has been the subject of numerous actions; and it is needless to say that the decisions have been carefully collected and critically examined by the Author.

"The policy and its conditions" form the subject of the fourth chapter, in which the acceptance of the proposal, the form of the policy and its execution, and the ordinary conditions upon which a policy is issued, are fully considered. As might be expected, all these conditions have been severely contested in our Courts of Law, and have been construed very strictly; and it is therefore of the greatest importance to the assured to make himself fully acquainted with the particulars of his policy, and rigorously act up to the conditions of the contract.

The fifth chapter contains a collection of information with regard to the conditions of the policy, which has not been considered in the previous chapters, such as the burden of proof of the truth of the warranties, the admission of certain facts by indorsement, &c. Policies termed "Indisputable and Unchallengable" have been very largely advertised of late, and appear to be somewhat on the increase; it would therefore be advantageous to know what construction is likely to be put upon them by the Courts. Mr. Bunyon has carefully examined the subject in all its details, and we strongly recommend a careful perusal of his remarks. It is undoubtedly open to the parties to a contract to make their own conditions, but never-

theless, where one party has acted *malâ fide*, and used fraud to obtain the contract, there is no doubt that an agreement by the other to fulfil the contract, notwithstanding, is against public morals, and therefore void; so that when a legal construction comes to be placed upon these policies, there will be probably found to be very little difference between them and an ordinary policy. Other important matters are also discussed in this chapter, such as the conditions under which equity will relieve the insurers, the return of the premiums, and the reformation of the contract.

Other contracts not being strictly Life Assurances, but partaking more or less of their character—namely, insurances against accident, insurance against the birth of issue, and the guarantee of fidelity—are considered in the sixth chapter. Insurances against accidents are of two kinds, one providing for the payment of a certain sum on death by accident, and the other for a weekly allowance during total disablement from accident; and it appears to have been equally difficult to decide what an accident is, and what total disablement is, without the intervention of a Court of Law. Insurances against the birth of issue are contracts of very recent origin, but are now granted by many Insurance Offices as part of their regular business, the observations of Mr. Day upon the statistics of first and subsequent marriages among the Peerage having made it possible to calculate the premiums with sufficient accuracy for all ordinary purposes.

The grant of Guarantee Policies, or the insurance of fidelity, cannot claim to be connected with Life Insurance in any way, and it might be said ought not therefore to have a place in such a work as this; but we think it fairly admitted, not only because it is sometimes transacted by Life Offices and combined with Life Insurance itself in one policy, but also on account of the similarity of the conditions and obligations, and of the remedies at law and equity. Guarantee Companies are perhaps not resorted to so much as they should be. The fidelity of servants is as properly a subject for insurance as loss by fire or perils of the sea; and the objections which will apply in the one case against personal insurance, equally apply in the other. No landlord thinks of asking a tenant to find responsible sureties against his setting fire to the house, yet every day we find employers requiring their servants to find private sureties for their fidelity. Possibly the cause may be found in the private sureties not stipulating for sufficient caution on the part of the employer, and not being so fully aware of their rights and remedies as the Guarantee Offices.

The following chapter, which treats of "The Insurer and the Constitution of Insurance Offices," has been partly rewritten owing to the change in the law of Joint Stock Companies. Life Insurance Offices are arranged in five classes, according to the nature of their constitution, namely, "(1) "Companies incorporated by Royal Charter or statute; (2) Companies "empowered by Letters Patent from the Crown, but not incorporated; (3) "Companies neither incorporated nor acting under Letters Patent, but "governed by their own Deeds of Settlement only, and which do not, "except in the number of partners or members, differ from ordinary part-"nerships; (4) Companies incorporated by registration only, under the "Joint Stock Companies Registration Act, 1844, and re-registered under "the Companies Act, 1862; (5) Companies formed under the Act, 1862." A careful explanation is given of the legal position of the Companies in each class.

The eighth chapter treats of "Charters of Incorporation, Deeds of "Settlement, and of private Acts of Parliament amending the same, and "giving special powers to Insurance Companies, and of the partnership rights "of the members *inter se*." Such subjects as the power of a majority of the partners at extraordinary general meetings, and the effect of resolutions unauthorized by the Deed of Settlement, the construction of general powers in such deeds, and the interference of Courts of Equity in such acts, are here considered; as well as the construction of private Acts, the privileges which may be obtained by them, and how far they are binding upon the Company and strangers.

"The dissolution, winding up, and amalgamation of Insurance Companies" are subjects which have greatly increased in importance since the passing of "The Companies Act 1862." In the first edition of this work they formed the latter portion of the seventh chapter; but it has now been found necessary to devote an entire chapter to their consideration. The dissolution of a Life Assurance Company is a matter of peculiar difficulty, since the liabilities are different in kind from those of any other Company, and the ordinary rules of liquidation cannot well be applied. "They are "liabilities undertaken to be performed at future and perhaps very distant "dates, and although susceptible of valuation with some accuracy in the "mass, are in detail scarcely capable of valuation at all"; and the only way of fairly meeting the difficulty is by inducing another company to undertake the liabilities. There are three modes by which a Life Assurance Company can be dissolved, namely: (1) "by virtue of a special provision for this purpose inserted in the deed of settlement or articles of association," the provisions of which the Company must strictly follow, or they will be restrained by the Courts of Equity at the instance of a single shareholder or policyholder. (2) "By consent of the whole body, both policyholders and shareholders," which it would practically be quite impossible to obtain. No doubt, says Mr. Bunyon, the majority of successful amalgamations have been carried out by assuming the necessary powers to exist, and obtaining the consent of the majority; but this is an example which cannot be recommended. Under such circumstances the Author has considered the position of shareholders after a transfer, the rights of policyholders, and the effect upon collateral contracts, &c. (3) Or "a Company may be wound up under The Companies Act, 1862"; either compulsorily by the Court, or voluntarily, and in the latter case either with or without the intervention of the Court. Under a voluntary winding up, a transfer or sale of the business may be effected by a special resolution, passed concurrently with the resolution for winding up; but the law upon the subject is very unsatisfactory and will require considerable amendment before the dissolution of a Life Assurance Company can be carried out in a satisfactory manner. The next chapter refers briefly to the law affecting those so-called "Friendly Societies" established before the Act 18 and 19 Vict., c. 63, and still in existence as insurance offices.

In the eleventh chapter we are presented with information, important not only to Life Assurance Companies, but to all Companies of whatever kind. It is "Concerning the powers and duties of Directors, Officers and Agents"; how far the Directors are restricted in their action, the effect of their exceeding their powers, and the result of publishing false or fraudulent statements. In the last case, they will be personally liable to those who

have been deceived. Mr. Bunyon is of opinion that "the declaration of a "fictitious bonus payable out of capital instead of realized profits, would "be a fraudulent statement, since it would impute a false prosperity to the "concern, and thus deceive intending insurers"; and although there appears to have been as yet no prosecution of Directors on these especial grounds, yet this is a point well deserving the attention of the Directors and Managers of Companies. The duties and powers of agents are next considered, and the effects of their exceeding their authority. It is pointed out that the principal officers of a Company, such as the Managing Director, the Actuary, and Secretary, are general agents, and will be held to possess all necessary powers for enabling them to conduct the business.

The second part of the work—devoted to the subject in its equitable relations—commences with a chapter "on the assignment of policies." Policies being *choses in action* are, at Law, with a few exceptions, incapable of assignment; but the right to receive the policy moneys may, in Equity, be transferred for a valuable consideration, the vendor becoming a trustee for the purchaser. The Author has here very carefully considered the question of "considerations," and has also fully investigated and illustrated the subject of the equities of consecutive incumbrancers.

The contract to sell and purchase an annuity being now, in consequence of the repeal of the Annuity Act, a very simple matter, no longer requires a separate chapter for its consideration, as was the case in the first edition. It has therefore been considered at the end of the chapter now under review. It is certainly rather difficult to see its connection with the general subject of the chapter, but the Author has managed to tack it on in so admirable a manner, and it is so difficult to see where else it could have been placed, that we cannot take any strong objection to its position. It is to be regretted however that no mention of the subject is made in the heading of the chapter.

The subject of the following chapter is "concerning the evidences of "the contract when a sale is effected or a lien created, and the rights and "remedies of the mortgagee as against the mortgagor." Although it is not necessary, as Mr. Bunyon explains, that the contract should be evidenced by deed or in writing, since "there is no legal estate to pass, "and the case, except where it is that of a marriage settlement, is not "within the operation of the statute of frauds," yet it is of advantage in the case of a subsequent sale to have the contract in writing; and now a very simple form (which may be endorsed on the policy) is given in the "Policies of Assurance Act, 1867." The Author explains the constructions of the ordinary covenants in a mortgage deed, the operation of the Bankruptcy Laws in discharging certain of the covenants, and the rights and remedies of the mortgagee under various circumstances.

The third chapter is "concerning notice." Notice of the assignment of a policy should now be given to the Office in accordance with the provisions of the "Policies of Assurance Act, 1867," which we reprinted in the number of this *Journal* for October, 1867, with a few remarks which occurred to us at the time. We agree with the learned Author in considering that the Act has been most thoughtlessly constructed, and cannot fail to give rise to much litigation, but we think he has gone too far in his criticisms in the following passage (p. 241):—"The Act however goes on "to say, 'and the date on which such notice shall be received shall regu-

" 'late the priority of all claims under any assignment.' This is very " obscure and badly expressed. All claims under any assignment must " undoubtedly be regulated by the terms of the assignment itself. But the " section probably means that the priorities as between successive assignees " shall be determined by the dates at which notices of the assignments shall " be respectively given." For the Act says that the date of notice shall regulate not "the claims," but "the priority of all claims under any assignment." The sense would certainly have been clearer, if instead of "all claims," the Act had said "the claim." As the Act only applies to assignments made after its date, it is necessary to consider the law relating to the subject previously, so that much of the chapter has not been altered. All the questions concerning notice will be found fully discussed, such as, how far the Company may be affected by constructive notice, the duties of insurers in answering inquiries as to notice, the effect of disregarding notices of assignment, and so on. These are all questions of the most vital importance to the Managers of Life Insurance Companies, and every actuary should therefore carefully study this chapter.

In Chapter IV—"concerning advances by Insurance Offices, by way of mortgage upon their policies, with or without additional security"—the Assurance Offices are considered under their character of capitalists. It is a very common practice for Life Offices to grant loans on life interests and other securities, with a policy effected in the Office itself as collateral security. In this case the Office will occupy the same position as any other mortgagee, and the rights of the assured will be unaffected. Mr. Bunyon has cited three cases at length upon the subject, and we may also mention one that has been tried since, and which will be fresh in the minds of many of our readers, namely, the case of "White *v.* The British Empire Mutual Life Assurance Company." Here the Company were mortgagees of a policy in their own Office on the life of a person who committed suicide. The Court decided that, as regarded the insurance, the Office stood in the same position as any other mortgagee; and the Plaintiff, who was the administratrix of the deceased, was entitled to the benefit of the condition in the policy making it good under such circumstances to the extent of any *bonâ fide* interest of any third party therein, and the amount of the claim was set off against the mortgage debt.

The next chapter, "On the Sale of Reversionary Interests," has been, of necessity, extensively altered in consequence of the passing of the "Sales of Reversions Act, 1867"; but still treats of many points of great importance relating to a married woman's reversionary property, her power of disposition over her separate estate, and her husband's power over her unsettled personalty when reversionary, &c., including of necessity the effect of "Malins's Act, 20 & 21 Vict., c. 57."

The sixth chapter is "Concerning the Equities arising from contracts other than contracts of sale, or the creation of liens by the assured"; and embraces such questions as the rights of debtor and creditor to the policy moneys when one or other has paid the premiums, and the disposition of the moneys when the policy is effected by persons as trustees. Here also is considered the question as to the title to the policy upon the life of the *cestui que vie* on the repurchase of an annuity, which is one of great difficulty, and has been often before the Courts. The different cases on the subject are fully set forth and discussed.

The chapter "concerning the renewal of leaseholds for lives or years that "have been the subject of settlement, and the application of policies as "securities for the fines payable on such renewals," will be found useful to the Actuary when he has questions relating to such matters submitted for his opinion; but the subject is only incidentally connected with Life Assurance—inasmuch as that is the only proper mode of providing for the renewal of leaseholds for lives.

Chapter VIII is on a subject of greater importance, as affecting the disposition of the moneys assured, and consequently the receipt for the claim. It is "concerning voluntary settlements." It has been the Author's object to point out in this chapter under what circumstances voluntary settlements have been considered fraudulent within the meaning of the Act known as the Statute of Elizabeth, and in connection with the Bankruptcy Laws—when they have been supported, and when set aside, in equity; and also what conditions are required to make the gift complete; all of which he has most effectually done. His statements are clearly put and amply illustrated with most of the leading cases on the several points.

We now come to the third part of the work, which, although the shortest, is by far the most important to the Offices. It treats of the claim and the subjects connected with its payment. The first chapter is "Upon the rights and interests of persons under disabilities." An infant, for instance, as pointed out by Mr. Bunyon, is capable of having a policy of assurance effected in his own name for his benefit either upon his own life or upon the life of another; but then the ordinary rules affecting the contracts of infants apply equally here as in all other cases; and should the policy become a claim during minority, it becomes important to know to whom the money is to be paid or what is to be done with it. As regards a married woman again, marriage, operating as a gift to the husband of all *choses in action*, belonging to the wife and not settled to her separate use, that he may be able to reduce into possession during her life, places the wife under a disability to give a good discharge to the office for the sum assured under any policy to which she is entitled upon the life of a third person, if the death of that person happen during coverture. But the "questions respecting policies of assurance to which married "women are entitled, more often arise in cases in which the insurance is "effected during the coverture upon the life and in the name of the wife." Various cases arise according as the policy was effected by her with or without the husband's assent, according as the premiums were paid out of his moneys, or out of the income of property settled to her separate use; all of which are fully considered, together with the effect in such cases of the death of either husband or wife, or of the dissolution of the marriage by the Divorce Court. Again, a lunatic or idiot is not capable of contracting; but an originally valid contract is not affected by subsequent lunacy; and it is necessary for the Office to know to whom the sum assured should be paid when the policy is the property of a lunatic. The rights and disabilities of aliens and of persons convicted for treason or felony are also discussed.

The vital importance of the next chapter, which is "concerning the claim "and its payment, the proof of death, the receipt and custody of evidence "of title," to all parties interested in Life Assurance need not be enforced here. In the policy it is usual to stipulate for satisfactory evidence of the

death, which means "sufficient and not such as the mere caprice of the insurers may require." The Author explains what evidence should be furnished under various circumstances, and also what circumstances have been considered to give rise to presumptive proof of death. Proof of age, also, he says, must be furnished, either at the death or sometime during the assurance, and he explains what will be considered as sufficient evidence. "The facts upon which the claim arises having been thus proved, "the claimant must deduce a good title to, and be prepared to give a "sufficient receipt for the sum assured." Here then is discussed the title of the executor or administrator when the policy has not been the subject of assignment or charge; and the taking out of probate or letters of administration. This has been much simplified since 1858 by "The Court of Probate Act, 1857," but the Author has considered it advisable to state the general rules as to cases both prior and subsequent to the Act. He also points out the course to be pursued when the claimant is abroad; and the discharge to be given where there are several grantees of a policy; and also when the policy is mortgaged, or assigned upon trusts, or is the subject of a voluntary assignment. "Not only are the insurers entitled to a "receipt which shall be an equitable discharge, but also to be rendered "secure from any exercise of the legal right to their prejudice." When therefore a claim is paid, the questions as to the custody or covenants for the production of deeds are subjects of vital importance.

If the Company does not duly pay the assurance moneys, the claim may be enforced by action at law. The subject of the third chapter is to show how this is to be done; how and against whom proceedings are to be taken, and the remedy of the Company when there are conflicting claims. This chapter has of necessity been considerably altered, for since the first edition, "The Policies of Assurance Act, 1867," has been passed, empowering an assignee under certain circumstances to sue at law in his own name; and the Trustees' Relief Act, as the Author points out, will now relieve Insurance Companies in the case of conflicting claims, where formerly a motion by way of interpleader was the only course open to them. "The Companies Act, 1862," has also caused some alterations to be made.

The last two chapters treat of questions of simple detail, and are more fitted for an appendix than to form a portion of the main body of the work. The first of these is "concerning stamps;" and here we notice a most important correction, namely, the insertion in the Life Assurance policy stamps of the 3*d.* stamp, "where the sum insured shall not exceed twenty-five pounds," which was omitted in the first edition; and a similar error with regard to the stamps for conveyance on sales has also been corrected. The other chapter treats of "The succession duty and income tax Acts"; from which the dissertation on the Report of the Select Committee on Assurance Companies, 1853, has been wisely omitted. There is a copious appendix, containing sixteen precedents for the sale, mortgage, and settlement of policies; and the text of "The Companies Act, 1862," and of "The Companies Act, 1867." There is also an index of Private Statutes obtained by Insurance Offices; an index of cases cited; and a general index.

Mr. Bunyon established for himself a high reputation as a lawyer by the production of the first edition of this work, and this will be increased by the skill he has employed in the revision of the work in preparing the second edition. Some of the arguments which could not be considered

altogether satisfactory have been either suppressed or altered; and information which had become superfluous by reason of change in the law or general opinion, has been carefully eliminated; while the greatest care has been taken to introduce, wherever requisite, all the necessary information consequent upon the changes which have taken place in life assurance itself, the later decisions in the Courts of Justice and the subsequent alterations in the Law. But in some minor points further revision might with advantage have been bestowed on the work. Thus in the foot note on page 4, the Gambling Act is cited as 14 Geo. III., c. 38, whereas it really is c. 48. This is evidently a printer's error, as is, no doubt, a similar error upon p. 390, where the case of Fenn *v.* Edmonds is cited as Fenn *v.* Edwards. Again, the word "late," as applied to cases cited, has been retained too frequently in this edition; and on p. 219 a case is still termed "very recent," which was so termed in the first edition. Surely 14 or 15 years will reduce a case from the class of "very recent" to a lower grade. Altogether this work forms a most complete treatise on the Law of Life Assurance, and will be found a most valuable addition to both the legal and assurance libraries; and it will no doubt obtain, as it certainly deserves, an extensive sale both among lawyers and actuaries.

INSTITUTE OF ACTUARIES.

SOLUTIONS OF THE SECOND YEAR'S EXAMINATION QUESTIONS, 1869; WITH REMARKS. BY THE EXAMINERS, PETER GRAY, F.R.A.S., AND RALPH P. HARDY.

1. Define the logarithm of a number.

Ans. The logarithm of a number is the index of that power of the base of the system in which the logarithm is taken, which is equal to the number.

Thus, in the equation

$$b^x = a,$$

x is the logarithm of a in the system whose base is b.

The object in view in proposing this question was to test the possession on the part of the candidates of the power of clear conception and correct definition, a power in constant requisition in dealing with questions involving complex contingencies. We find not unfrequently the logarithm of a number stated to be "that power of the base which is equal to the number." A power is here confounded with its index. In the above equation b^x is *the power*,—the xth power—of b; and it is *equal* to a. It is the index, x, which is the logarithm of a.

This very loose mode of expression, if it did not originate with the late D. Jones, at least received abundant countenance from him. In his work on *Annuities* we are frequently directed to raise a certain quantity to "the same power as the number of years," his meaning being, to "the power whose index is the number of years." See his vol. i., pp. 11, 20, 27, &c.

2. The system of logarithms known as Briggs's, or the common system, is more convenient for numerical computations than any other. State the reason.